

Message Text

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PAGE 01 CAIRO 11894 181045Z
ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03
SP-02 LAB-04 EPG-02 SIL-01 OMB-01 PA-01 PRS-01
NSC-05 SS-15 STR-04 CEA-01 L-03 H-01 /085 W
-----097948 181200Z /45

R 181004Z JUL 77
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 7345
INFO AMCONSUL ALEXANDRIA
AMEMBASSY JIDDA

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E.O. 11652: N/A
TAGS: EFIN, EG
SUBJECT: EGYPTIAN DEVELOPMENT BONDS

1. RECENT PRESS REPORTS HAVE ANNOUNCED THAT FIRST TRANCHE OF \$200 MILLION EGYPTIAN DEVELOPMENT BOND ISSUE HAS BEEN COMPLETELY SUBSCRIBED. ORIGINALLY, FIRST OFFERING OF \$50 MILLION WAS TO HAVE BEEN TARGETED ON INDIVIDUALS IN GULF STATES (BOTH EGYPTIANS AND OTHER ARABS). RESPONSE, HOWEVER, DID NOT MATERIALIZE AND WE HAVE BEEN INFORMED BY CAIRO'S INTERNATIONAL BANKING COMMUNITY THAT EGYPTIANS PUT ARM ON BANKS TO BUY UP FIRST ISSUE. BANKS VIEW DEVELOPMENT BONDS AS COMPLETE WRITE-OFF AND WERE RELUCTANT TO PARTICIPATE TO ANY GREAT EXTENT. PRESSURE, HOWEVER, WAS INTENSE AND MOST FINALLY AGREED.

2. FURTHER TRANCHES ARE TO BE OFFERED NEXT TWO TO THREE MONTHS. BANKERS HERE SAY THEY BOUGHT BONDS DURING THIS ISSUE ON UNDERSTANDING THAT THEY WOULD NOT BE IMPORTUNED ON FURTHER OFFERINGS.

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PAGE 02 CAIRO 11894 181045Z

3. ACCORDING TO CHASE SOURCE, AT LEAST ONE OF THE REASONS WHY INITIAL BOND ISSUE WAS NOT SUBSCRIBED TO BY INDIVIDUALS IN GULF STATES WAS FACT THAT SAUDI ARABIAN SECURITIES AUTHORITY FOUND THAT EGYPTIAN REGULATIONS FOR BOND ISSUANCE DID NOT MEET THEIR STANDARDS. SAG THEREFORE PREVENTED MARKETING OF BONDS IN SAUDI ARABIA. CENTRAL BANK IS PRESUMABLY TAKING NECESSARY STEPS TO ASSURE THAT FUTURE TRANCHES WILL BE

ACCEPTABLE ON PENINSULA.
EILTS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT BONDS, CENTRAL BANK, GOVERNMENT REFORM
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CAIRO11894
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770254-1039
Format: TEL
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770748/aaaabpnr.tel
Line Count: 64
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b5e9356a-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
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Review Content Flags:
Review Date: 07-Apr-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1833864
Secure: OPEN
Status: NATIVE
Subject: EGYPTIAN DEVELOPMENT BONDS
TAGS: EFIN, EG
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/b5e9356a-c288-dd11-92da-001cc4696bcc
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